DEPARTMENT OF COMMERCE

International Trade Administration

[C-821-837]

Sodium Nitrite from the Russian Federation: Preliminary Affirmative Countervailing Duty Determination

AGENCY: Enforcement and Compliance, International Trade Administration, Department of Commerce.

SUMMARY: The Department of Commerce (Commerce) preliminarily determines that countervailable subsidies are being provided to producers and exporters of sodium nitrite from the Russian Federation (Russia). The period of investigation is January 1, 2021, through December 31, 2021. Interested parties are invited to comment on this preliminary determination.

DATES: Applicable [INSERT DATE OF PUBLICATION IN THE FEDERAL REGISTER].

FOR FURTHER INFORMATION CONTACT: Melissa Kinter, AD/CVD Operations, Office II, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-1413.

SUPPLEMENTARY INFORMATION:

Background

This preliminary determination is made in accordance with section 703(b) of the Tariff Act of 1930, as amended (the Act). Commerce published the notice of initiation of this investigation on February 8, 2022.¹ For a complete description of the events that followed the initiation of this investigation, *see* the Preliminary Decision Memorandum.² A list of topics discussed in the Preliminary Decision Memorandum is included as Appendix II to this notice.

¹ See Sodium Nitrite from India and the Russian Federation: Initiation of Countervailing Duty Investigations, 87 FR 7108 (February 8, 2022) (Initiation Notice).

² See Memorandum, "Decision Memorandum for the Preliminary Determination of the Countervailing Duty Investigation of Sodium Nitrite from the Russian Federation," dated concurrently with, and hereby adopted by, this notice (Preliminary Decision Memorandum).

The Preliminary Decision Memorandum is a public document and is on file electronically via Enforcement and Compliance's Antidumping and Countervailing Duty Centralized Electronic Service System (ACCESS). ACCESS is available to registered users at http://access.trade.gov. In addition, a complete version of the Preliminary Decision Memorandum can be accessed directly at https://access.trade.gov/public/FRNoticesListLayout.aspx.

Scope of the Investigation

The product covered by this investigation is sodium nitrite from Russia. For a complete description of the scope of this investigation, *see* Appendix I.

Scope Comments

In accordance with the preamble to Commerce's regulations,³ the *Initiation Notice* set aside a period of time for parties to raise issues regarding product coverage, (*i.e.*, scope).⁴ No interested party commented on the scope of the investigation as it appeared in the *Initiation Notice*.

Methodology

Commerce is conducting this investigation in accordance with section 701 of the Act. For each of the subsidy programs found countervailable, Commerce preliminarily determines that there is a subsidy, *i.e.*, a financial contribution by an "authority" that gives rise to a benefit to the recipient, and that the subsidy is specific.⁵

Commerce notes that, in making these findings, it relied, in part, on facts available and, because it finds that one or more respondents did not act to the best of their ability to respond to Commerce's requests for information, it drew an adverse inference where appropriate in selecting from among the facts otherwise available.⁶ For further information, *see* "Use of Facts Otherwise Available and Adverse Inferences" in the Preliminary Decision Memorandum.

³ See Antidumping Duties; Countervailing Duties, Final Rule, 62 FR 27296, 27323 (May 19, 1997).

⁴ See Initiation Notice.

⁵ See sections 771(5)(B) and (D) of the Act regarding financial contribution; section 771(5)(E) of the Act regarding benefit; and section 771(5A) of the Act regarding specificity.

⁶ See sections 776(a) and (b) of the Act.

All-Others Rate

Sections 703(d) and 705(c)(5)(A) of the Act provide that in the preliminary determination, Commerce shall determine an estimated all-others rate for companies not individually examined. This rate shall be an amount equal to the weighted average of the estimated subsidy rates established for those companies individually examined, excluding any zero and *de minimis* rates and any rates based entirely under section 776 of the Act.

Pursuant to section 705(c)(5)(A)(ii) of the Act, if the individual estimated countervailable subsidy rates established for all exporters and producers individually examined are zero, *de minimis*, or determined based entirely on facts otherwise available, Commerce may use any reasonable method to establish the estimated subsidy rate for all other producers or exporters. Commerce has preliminarily determined the individually estimated subsidy rate for the individually examined respondent under section 776 of the Act. Consequently, pursuant to section 705(c)(5)(A)(ii) of the Act, we established the all-others rate by applying the countervailable subsidy rate assigned to the mandatory respondent.⁷ For a full description of the methodology underlying Commerce's analysis, *see* the Preliminary Decision Memorandum.

Preliminary Determination

Commerce preliminarily determines that the following estimated countervailable subsidy rates exist:

Company	Subsidy Rate
UralChem, JSC	386.24 percent
All Others	386.24 percent

Suspension of Liquidation

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⁷ See, e.g., Freight Rail Coupler Systems and Certain Components Thereof: Preliminary Affirmative Countervailing Duty Determination, 87 FR 12662 (March 7, 2022); and Dried Tart Cherries from the Republic of Turkey: Final Affirmative Countervailing Duty Determination, 84 FR 67430 (December 10, 2019).

In accordance with section 703(d)(1)(B) and (d)(2) of the Act, Commerce will direct U.S. Customs and Border Protection (CBP) to suspend liquidation of entries of subject merchandise as described in the scope of the investigation section entered, or withdrawn from warehouse, for consumption on or after the date of publication of this notice in the *Federal Register*. Further, pursuant to 19 CFR 351.205(d), Commerce will instruct CBP to require a cash deposit equal to the rates indicated above.

Disclosure

Normally, Commerce discloses to interested parties the calculations performed in connection with a preliminary determination within five days of the public announcement or, where there is no public announcement, within five days of the date of publication of the notice of preliminary determination in the *Federal Register*, in accordance with 19 CFR 351.224(b). However, because Commerce preliminarily applied AFA to the individually examined company, UralChem JSC, in this investigation in accordance with section 776 of the Act, there are no calculations to disclose.

Verification

Because the examined respondents in this investigation did not provide information requested by Commerce and Commerce preliminarily determines each of the examined respondents to have been uncooperative, Commerce will not conduct verification.

Public Comment

Case briefs or other written comments may be submitted to the Assistant Secretary for Enforcement and Compliance no later than 30 days after the date of publication of the preliminary determination. Rebuttal briefs, limited to issues raised in case briefs, may be submitted no later than seven days after the deadline date for case briefs after the deadline date for case briefs. Note that Commerce has temporarily modified certain of its requirements for

⁸ See 19 CFR 351.309; see also 19 CFR 351.303 (for general filing requirements).

serving documents containing business proprietary information, until further notice.⁹ Pursuant to

19 CFR 351.309(c)(2) and (d)(2), parties who submit case briefs or rebuttal briefs in this

investigation are encouraged to submit with each argument: (1) a statement of the issue; (2) a

brief summary of the argument; and (3) a table of authorities.

Pursuant to 19 CFR 351.310(c), interested parties who wish to request a hearing, limited

to issues raised in the case and rebuttal briefs, must submit a written request to the Assistant

Secretary for Enforcement and Compliance, U.S. Department of Commerce within 30 days after

the date of publication of this notice. Requests should contain the party's name, address, and

telephone number, the number of participants, whether any participant is a foreign national, and a

list of the issues to be discussed. If a request for a hearing is made, Commerce intends to hold the

hearing at a time and date to be determined. Parties should confirm by telephone the date, time,

and location of the hearing two days before the scheduled date.

International Trade Commission Notification

In accordance with section 703(f) of the Act, Commerce will notify the International

Trade Commission (ITC) of its determination. If the final determination is affirmative, the ITC

will determine before the later of 120 days after the date of this preliminary determination or 45

days after the final determination.

Notification to Interested Parties

This determination is issued and published pursuant to sections 703(f) and 777(i) of the

Act and 19 CFR 351.205(c).

Dated: April 8, 2022.

Lisa W. Wang,

Assistant Secretary for Enforcement and Compliance.

⁹ See Temporary Rule Modifying AD/CVD Service Requirements Due to COVID-19, 85 FR 17006 (March 26, 2020); and Temporary Rule Modifying AD/CVD Service Requirements Due to COVID-19; Extension of Effective Period, 85

FR 41363 (July 10, 2020).

Appendix I

Scope of the Investigation

The product covered by this investigation is sodium nitrite in any form, at any purity level. In addition, the sodium nitrite covered by this investigation may or may not contain an anti-caking agent. Examples of names commonly used to reference sodium nitrite are nitrous acid, sodium salt, anti-rust, diazotizing salts, erinitrit, and filmerine. Sodium nitrite's chemical composition is NaNO₂, and it is generally classified under subheading 2834.10.1000 of the Harmonized Tariff Schedule of the United States (HTSUS). The American Chemical Society Chemical Abstract Service (CAS) has assigned the name "sodium nitrite" to sodium nitrite. The CAS registry number is 7632-00-0. For purposes of the scope of this investigation, the narrative description is dispositive, not the tariff heading, CAS registry number or CAS name, which are provided for convenience and customs purposes.

Appendix II

List of Topics Discussed in the Preliminary Decision Memorandum

- I. Summary
- II. Background
- III. Scope of the Investigation
- IV. Use of Facts Otherwise Available and Adverse Inferences
- V. Analysis of Programs
- VI. Recommendation

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